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PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

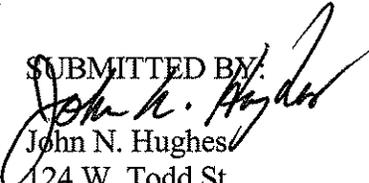
In the Matter of:

APPLICATION OF NORTHERN KENTUCKY)
WATER DISTRICT FOR A CERTIFICATE OF)
CONVENIENCE AND NECESSITY FOR THE) CASE NO.
CONSTRUCTION OF SUB DISTRICT F WATER MAIN) 2006-00315
EXTENSIONS, FINANCING AND SURCHARGE)

RESPONSE TO ORDER OF JULY 11, 2006

Northern Kentucky Water District (Northern), by counsel, provides the following response to the Commission's Order of July 11, 2006.

1. A current statement of bonds, notes and other debt is attached. A balance sheet and an income statement each dated May 31, 2006 were included in Exhibit H of the Application filed on June 22, 2006.
2. A tariff with a modified effective date is attached.

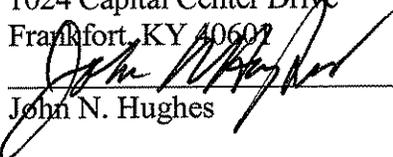
SUBMITTED BY:

John N. Hughes
124 W. Todd St.
Frankfort, KY 40601

ATTORNEY FOR
NORTHERN KENTUCKY
WATER DISTRICT

CERTIFICATE OF SERVICE:

I certify that a copy of this Petition was served on the parties listed below by First Class mail the 20th day of July, 2006.

David Spenard
Assistant Attorney General
1024 Capital Center Drive
Frankfort, KY 40601



John N. Hughes

Northern Kentucky Water District

Bonds Payable and Current Portion

Account No.	Description	Bond Payable Jan 01 2006	Current Portion Payment 2006	Bond Payable 2006
				As of July 1, 2006
220-007-000	Bonds Payable 1997	\$6,310,000	\$810,000	\$5,500,000
220-008-000	Bonds Payable 1998	\$9,805,000	\$255,000	\$9,550,000
220-009-000	Rural Development Loan Payable(2000)	\$2,196,000	\$26,000	\$2,170,000
220-010-000	2001 Bonds Payable	\$15,335,000	\$215,000	\$15,120,000
220-011-000	2002 A Bonds Payable	\$44,430,000	\$370,000	\$44,060,000
220-012-000	2002 B Payable-Refunding	\$9,095,000	\$530,000	\$8,565,000
220-013-000	2003 A Refunding Bonds Payable	\$1,545,000	\$35,000	\$1,510,000
220-014-000	Series 2003 B Bonds Payable	\$28,600,000	\$860,000	\$27,740,000
220-015-000	2003 C Refunding Bonds Payable	\$21,200,000	\$1,180,000	\$20,020,000
220-016-000	Series 2004 A Bonds Payable	\$10,185,000	\$275,000	\$9,910,000
	Total Long Term Debt	\$148,701,000	\$4,556,000	\$144,145,000
232-0100-000	Note Payable City of Taylor Mill			\$2,125,000
232-007-000	2005 BAN			\$17,980,000
232-006-000	2004 BAN			\$3,605,000
	Total BAN's and Notes			\$23,710,000
	Grand Total			\$ 167,855,000

SECTION II – RETAIL WATER RATES

Northern Kentucky Water District Service Area

1. Monthly Service Rate

First	1,500 cubic feet	\$2.81 per 100 cubic feet
Next	163,500 cubic feet	\$2.43 per 100 cubic feet
Over	165,000 cubic feet	\$2.16 per 100 cubic feet

- Customers in Subdistrict A** *shall be assessed a monthly surcharge in the amount of \$9.84
- Customers in Subdistrict B** *shall be assessed a monthly surcharge in the amount of \$19.46
- Customers in Subdistrict C** *shall be assessed a monthly surcharge in the amount of \$20.33
- Customer in Subdistrict D** *shall be assessed a monthly surcharge in the amount of \$30.00
- Customers in Subdistrict E** *shall be assessed a monthly surcharge in the amount of \$30.00
- Customers in Subdistrict F** *shall be assessed a monthly surcharge in the amount of \$30.00
- Customers in Subdistrict R** *shall be assessed a monthly surcharge in the amount of \$18.89
- Customers in Subdistrict RF** *shall be assessed a monthly surcharge in the amount of \$25.47
- Customers in Subdistrict RL** *shall be assessed a monthly surcharge in the amount of \$37.50

*Subdistrict charges are reviewed annually.

*Detailed street listing within each Subdistrict can be found under Appendix A.

*Service connections on extensions or laterals from a Subdistrict street will be assessed the appropriate Subdistrict charge.

2. Quarterly Rates

First	4,500 cubic feet	\$2.81 per 100 cubic feet
Next	490,500 cubic feet	\$2.43 per 100 cubic feet
Next	495,000 cubic feet	\$2.16 per 100 cubic feet

3. Fixed Service Charge

<u>Meter Size</u>	<u>Monthly Service Charge</u>	<u>Quarterly Charge</u>
5/8"	\$10.63	\$16.09
3/4"	\$10.99	\$16.95
1"	\$12.00	\$19.49
1 1/2"	\$13.51	\$22.96
2"	\$17.07	\$32.28
3"	\$41.22	\$100.44
4"	\$51.63	\$126.09
6"	\$76.45	\$186.08
8"	\$103.24	\$254.22
10" and Larger	\$137.30	\$331.96

Date of Issue: July 20, 2006

Date Effective: August 20, 2006

Issued by: _____
 Officer & Title Jack Bragg, Jr. CPA, CMA
 Vice President - Finance

2835 Crescent Springs Road, Erlanger, Ky 41018

APPENDIX A – Subdistrict Street Names

Customers in Subdistrict A

- Ashford Village Subdivision - Donegal Ct., Ashford Rd., Celtic Ct., Galloway Ct., Kildare Ct., Limerick Circlecourt, Waterford Ct. (Off of Mills Rd.)
- Bowman Rd. (KY 16 to end of road)
- Dorman Dr. (Hickory Grove to end of road)
- Gretchen Dr. (Ryland Estates Subdivision) – Stewart to end of road
- Hickory Grove Drive – KY 16 to end of road
- KY 177 – Porter Rd. to Pruett Rd.
- Manor Hill Subdivision - Briarcrest Lane, Burbridge Trail, Chipping Camden, Cotswold Way, Foxbourne Lane, Manor Hill Dr., Sussex Ct., Tanglewood Trace, Teenisian Pl., Willowhurst Trace & Windmere Hill (Off Marshall Rd.)
- Manor Lake Dr. – KY 16 to end of road
- Marshall Rd. – KY 16 to Stewart Rd.
- Miller Lane – Tapped off KY 177
- Mills Rd. – Marshall to Taylor Mill Water Service Area (5,700’)
- Petty Rd. – Tapped off Marshall Rd.
- Pruett Rd. – KY 177 to 300’
- Riggs Rd. – KY 16 to end of road
- Ryland Trace Dr. – Subdivision off KY 177
- Staffordsburg Rd. – Marshall Rd. to Maverick
- Stewart Rd. – Marshall to KY 177
- Teegarden Lane – Bowman to end of road

Customers in Subdistrict B

- Armstrong Rd. – 1 service tapped off Moffett
- Bird Rd. – KY 17 to Wynewood
- Farmview Dr. – Moffett Rd. to end of pavement
- Gleason – 1 service tapped off Madison
- KY 17 (Madison Pike) – 12363 to 14158 – 1,200’ North of Callant Rd. to Gleason
- Martin Rd. – Moffett Rd. to 3,650’
- Moffett Rd. – KY 17 to Armstrong Rd.
- Rector Rd. – Moffett Rd. to 8,100’
- Rosehawk Lane (Forrest Ridge Subdivision Off of Moffett)
- Wynewood Trail – Bird Rd. to end of road

Customers in Subdistrict C

- Banklick Rd. – From Bristow to Maher
- Callant – From KY 17 for the first 0.6 miles
- Dixon Dr. – 2 services tapped on KY 17, 1 service tapped on Rich Rd.
- Gardnersville Rd. – From KY 17 for the first 0.8 miles
- Glenhurst Subdivision – Chinkapin Circle, Berlander Dr., Glenhurst Dr., Lyonia Dr., Colton Ct., Hornbean Dr. Off of Maher Rd.)
Glenhurst Subdivision – Glenhurst Drive (Subdistrict stops at Intersection of Glenhurst Dr. & Berlander Dr. Off of Maher Road)

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APPENDIX A – Subdistrict Street Names – Cont’d

- Glenhurst Subdivision – Glenhurst Drive (Sub district stops at Intersection of Glenhurst Drive & Berlander Drive, Off of Maher Road
- Graven Rd. – From Maher, 4,400’ towards Wright Road
- Green Rd. – KY 16 to US 25
- Hempfling Rd. – First 2.1 miles
- Independence – From Shaw to Maher Rd., Maher 2700’ towards Banklick
- KY 17 (Madison Pike) – 14192 – 15960 – Gleason to Pendleton County Line
- Maher – From Banklick Rd. to Kenton/Boone County Line
- Maher – From Independence Road to Banklick
- Martin Road – From Subdistrict B to Staffordsburg Road
- Mulberry Lane – (Rolling Greene Subdivision off of Green Road)
- Paxton Road – From KY 17 for the first 0.65 miles
- Percival Road
- Rector Road – From Subdistrict B to Kenton Station Road
- Rich Road – From KY 17 for the first 2.1 miles
- South Fork Estates Subdivision (South Fork Drive)
- South Fork Estates Subdivision (Thoroughbred Lane)
- South Fork Estates Subdivision – Stablegate
- Spillman Road – KY 17 to end of road
- Staffordsburg Road – From KY 16 to Martin Road
- Stephenson Road – From Green Road to the first 0.5 miles
- Symbo – From Green Road for the first 0.6 miles
- Tupelo Drive – Glenhurst Subdivision, Off of Maher Road
- US 25 – Walton City Limits to KY 14
- Visalia Road – From Klein Road to the school (waiting on PSC approval)
- Visalia Road – From Staffordsburg Road for 2 miles
- York Road – From US 25 to the first 0.4 miles

Customer in Subdistrict D

- 4 Mile Pike from Uhl Road to Geenvalle
- California Cross Roads from Saint Peter and Paul to Washington Trace Road
- Ky Route 8 to McDonald Lane off Blangey Road
- Persimmon Grove Pike from Burns Road to California Cross Road
- Persimmon Grove Pike from Stevens Branch to Shaw Hess
- Wagner Road – first .6 miles
- Winters Lane – County
- Providence Trace off of 4 Mile
- Licking Pike & Steffen Road from Route 10 to KY 936 – ky 936 before Poplar Thicket

Customers in Subdistrict E

- Bethel Grove
- Brandy Lane
- Bromley Crescent Springs Road
- Fiskburg Road (KY 17 to Goshorn Road)

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APPENDIX A – Subdistrict Street Names – Cont’d

- Ishmael Road (KY 177 to 1200')
- Kenton Station (Rector Road to KY 177)
- KY 177 (North of Kenton Station 7100')
- KY 177 (North of Vises Trail 4250')
- KY 177 (South of Kenton Station 5400')
- KY 177 (South of Vises Trail 2850')
- Licking Station
- McDonald Avenue
- Oliver Road
- St. Johns Road
- Vises Trail from KY 177 to 1150' south of Visalia Road
- Whitaker

Customer in Subdistrict F

- Grandview Road
- Amy Lou Drive
- Heck Road
- Steffen Road
- Licking Pike (Existing 8 to Ripple Creek)
- Licking Pike (from Trapp Road to Rifle Range Road)
- Licking Pike (from Rifle Range Road to Sub District D)
- Flagg Springs Pike

Customers in Subdistrict R

- Coleman Road – KY 177 to end of street
- Feiser Road – Porter Road to Locust Pike
- KY 177 – 500' North of Wards to 2900' South of Wards
- KY 177 – Porter Road to 800' North
- KY 177 – Pruett Road to Ryland Lakes Drive
- Locust Pike – 650' West of Whites end of road
- Locust Pike – Feiser Road to Wards Lane
- Porter Road – KY 177 to 7,500'
- Redrow – Locust Pike to end of street
- Spanton Road – Locust Pike to 1,300'
- Wards Lane – Locust Pike to KY 177
- Whites Road – KY 177 to Locust Pike

Customers in Subdistrict RF

- KY 177 (From Subdistrict R to short Marshall)
- Porter Road (From Tecuseh approximately 500')
- Short Marshall (KY 177 East 500')
- Tecumseh

Customers in Subdistrict RL

- Crystal Court

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APPENDIX A – Subdistrict Street Names – Cont’d

- Crystal Drive
- Crystal Lane
- Ernst Bridge Road
- Hillside Drive
- Maplewood Drive
- Meadow Lane
- Mirror Court
- Northall Court
- Orchard Lane
- Redbud Lane
- Ryland Lakes Drive
- Sylvan Lake Drive
- Wild Lake Drive

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